Appendix 5: The Impact of Cellphone Towers on Property Values

Cellphone towers can provide an additional source of income for those on whose property they are located, but in the neighbourhood they can raise concerns and opposition. The main concerns arise around:

- potential effects on health from increased electromagnetic radiation
- visual impacts and effects on neighbourhood aesthetics
- property value effects.

Scientific studies have been unable to demonstrate clearly and conclusively any adverse health effects from the presence of cellphone towers, but uncertainty remains in the public mind. Such concerns around perceived risk can affect attitudes and opposition to cell tower location. While towers can have an intrusive visual impact, particularly on specific properties, they need not be particularly visible if shielded by trees or buildings or attached as small modifications to existing structures (as in the case of extensions to roadside lamp posts). Effects on property values can occur, but these are manifestations of these other effects, not additional to them, as has been recognised by the Environment Court in New Zealand.[22]

Internationally there have been press reports of substantial negative impacts on value of around 50%, but these are mostly anecdotal opinion from valuers, or reflect exceptionally intrusive situations rather than average or representative cases. The empirical evidence is more varied. Sandy Bond and co-authors conducted a series of studies employing a mix of qualitative opinion surveys, hedonic pricing of proximity to cell towers (using regression analysis of house sales data) and geographical information systems. They found the presence of towers could reduce property values by around 21% in Christchurch suburbs where towers received much contentious publicity, but had no significant effect or even a positive impact on property values in suburbs without such publicity.[23]

Applying similar methodology in Florida, Bond found a smaller negative impact of around 2% reduction in value for properties close to cellphone towers, relative to similar properties elsewhere.[24] In United States and New Zealand studies, Bond found the impact reduced rapidly with distance of property from a cellphone tower site, to be negligible beyond 200–300 metres of the tower.

Bond suggests the lower percentage reduction in Florida than in New Zealand may be due to Americans being more used to, and hence less bothered by, towers than New Zealanders. However, small-percentage impacts on property values are found in other countries as well as the United States. The Canadian Spectrum Management and Telecommunications Report on the National Antenna Tower Policy Review cites case studies finding a 3% reduction from directly backing onto a microwave tower site, and a 7.2% reduction from installation of a broadcasting antenna tower.[25] A British study of neighbourhood effects on property values found mobile phone/telecoms masts had a 3% reduction in property values,[26] less than electricity pylons (9%) which are sometimes claimed to be similar,[27] and substantially less than the 15% reduction from proximity to waste facilities, late-night drinking and entertainment venues, or being under an airport flight path. New Zealand value

effects may be proportionately larger because of the novelty or press coverage of cases in the study period, but this is likely to diminish over time as cellphone sites become more common and less intrusive, with more widespread and lower-profile distribution.

24 Bond and Squires, 2006.

‹ Appendix 4: Theoretical Considerations (/publications/rma/proposed-national-environmental-standards-telecommunications-facilities/appendix-4)

Appendix 6: Section 43 of the Resource Management Act 1991 › (/publications/rma/proposed-national-environmental-standards-telecommunications-facilities/appendix-6)